



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

December 1, 2011

S. 1014 **Emergency Judicial Relief Act of 2011**

As ordered reported by the Senate Committee on the Judiciary on October 13, 2011

SUMMARY

S. 1014 would create 10 new district court judgeships, convert two temporary judgeships to permanent judgeships, and increase district court filing fees. Pay-as-you-go procedures apply because enacting the legislation would affect direct spending. Enacting S. 1014 would not affect revenues.

CBO estimates that the mandatory pay and benefits for judgeships not provided for under current law would increase direct spending by \$17 million over the 2012-2021 period. We estimate that changes the bill would make to the collection and disposition of judicial filing fees would increase offsetting receipts by about \$19 million over the 2012-2021 period. In total, the changes to direct spending made by S. 1014 would reduce future budget deficits by \$2 million over the 2012-2021 period. CBO estimates that discretionary expenditures for support staff and office space associated with the additional judgeships would cost \$28 million over the 2012-2016 period, subject to appropriation of the necessary funds.

S. 1014 would impose an intergovernmental and private-sector mandate, as defined in the Unfunded Mandates Reform Act (UMRA), on entities that file a civil action, suit, or proceeding in a United States district court. CBO estimates that the costs to comply with the mandate would fall well below the annual thresholds for intergovernmental and private-sector mandates (\$71 million and \$142 million, respectively, in 2011, adjusted annually for inflation).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1014 is shown in the following table. The costs of this legislation fall within budget function 750 (administration of justice).

By Fiscal Year, in Millions of Dollars												
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2012- 2016	2012- 2021
CHANGES IN DIRECT SPENDING												
Judicial Salaries and Benefits												
Estimated Budget Authority	0	1	2	2	2	2	2	2	2	2	7	17
Estimated Outlays	0	1	2	2	2	2	2	2	2	2	7	17
Civil Filing Fees												
Estimated Budget Authority	-1	-2	-2	-2	-2	-2	-2	-2	-2	-2	-9	-19
Estimated Outlays	-1	-2	-2	-2	-2	-2	-2	-2	-2	-2	-9	-19
Total Changes												
Estimated Budget Authority	-1	-1	0	0	0	0	0	0	0	0	-2	-2
Estimated Outlays	-1	-1	0	0	0	0	0	0	0	0	-2	-2
CHANGES IN SPENDING SUBJECT TO APPROPRIATION												
Estimated Authorization Level	1	3	8	9	9	9	10	10	12	12	29	82
Estimated Outlays	1	3	8	9	9	9	10	10	12	12	28	82

Note: Amounts may not sum to totals because of rounding.

BASIS OF ESTIMATE

For this estimate, CBO assumes that S. 1014 will be enacted early in calendar year 2012, that the additional judgeships created by this bill will be filled within two years of enactment, and that the amounts estimated to be necessary for additional staff and support will be appropriated in each fiscal year.

Changes in Direct Spending

S. 1014 would authorize 10 new permanent judgeships to be added to specified federal district courts and convert two temporary judgeships to permanent judgeships. Salaries and benefits of district court judges are provided annually without the need for appropriations. Based on the current-law salaries of district court judges (about \$190,000) as well as information from the Administrative Office of the U.S. Courts (AOUSC) on the cost of benefits for federal judges, CBO estimates that the mandatory pay and benefits of those additional and converted judges would cost about \$2 million a year once all the judges have been confirmed, increasing direct spending by \$17 million over the 2012-2021 period.

S. 1014 would increase the amount collected by the federal government for district court filing fees by \$10 from \$350 to \$360. The amount of the increase would be deposited in a special fund in the Treasury and would not be available for spending unless specified in an

appropriation act. Based on information from the AOUSC, CBO estimates that the fee increase would raise offsetting receipts by \$19 million over the 2012-2021 period.

Changes in Spending Subject to Appropriation

Based on information from AOUSC, CBO estimates that implementing S. 1014 would cost \$28 million over the 2012-2016 period for administrative support staff and office space for 10 new judges. Of that amount, about \$10 million would be incurred in the first few years for startup costs, including office construction, furniture, and law books. The remaining amount—\$18 million—would be for annual expenditures (about \$770,000 per judge in 2012) for administrative needs, such as support staff and court operations.

PAY-AS-YOU-GO CONSIDERATIONS

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in the following table.

CBO Estimate of Pay-As-You-Go Effects for S. 1014 as ordered reported by the Senate Committee on the Judiciary on October 13, 2011

	By Fiscal Year, in Millions of Dollars										2012-	2012-
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2016	2021
NET INCREASE OR DECREASE (-) IN THE DEFICIT												
Statutory Pay-As-You-Go Impact	-1	-1	0	0	0	0	0	0	0	0	-2	-2

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 1014 would impose an intergovernmental and private-sector mandate, as defined in UMRA, on public and private entities that file a civil action, suit, or proceeding in a United States district court by increasing the fee for filing such cases from \$350 to \$360. Based on information from the U.S. Courts regarding the number of civil cases filed each year, CBO estimates that the additional amount paid as a result of the fee increase would amount to about \$2 million annually and would fall well below the annual thresholds for intergovernmental and private-sector mandates (\$71 million and \$142 million, respectively, in 2011, adjusted annually for inflation).

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